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March 21, 2002

Ex Parte

William Caton
Acting Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Application by Verizon New England for Authorization To Provide In-Region, InterLATA Services in Vermont, CC Docket No. 02-7

Dear Mr. Caton:

Verizon provides the following answer to a question raised by the Commission with respect to Verizon's billing performance measurements.

The Commission asks about Verizon's performance on BI-3-04-2030 (Percent of CLEC Billing Claims Acknowledged within 2 Business Days) and BI-3-05-2030 (Percent of CLEC Billing Claims Resolved within 28 Calendar Days After Acknowledgement). Although these two measurements have the same designations in Massachusetts and Vermont, these states use different business rules.

As Verizon explained in its application, although the January 2002 guidelines that Verizon submitted in Vermont included the interim versions of these measurements adopted by the New York PSC in its October 2001 Order (Application, App. I, Tab 4), the Vermont PSB subsequently ordered Verizon to use the versions of BI-3-04 and BI-3-05 that are currently in use in Rhode Island, and that were initially developed in Pennsylvania. See Guerard/Canny/Abesamis Decl. ¶ 19; Letter from Michael H. Dworkin, David C. Coen & John D. Burke, Vermont PSB to V. Louise McCarren, President & CEO, Verizon Vermont, Docket No. 6533, at 1 (Jan. 16, 2002) (Application, App. L, Tab 21). Verizon began reporting its performance in Vermont under the Rhode Island versions of the measurements with the January

2002 data month. As a result of the Vermont PSB's order, Verizon never reported its performance in Vermont under the New York versions of the measurements.

Massachusetts, however, has reported its performance under the two interim measurements adopted by the New York PSC starting with the December 2001 data month.

As Verizon has explained, the business rules for the Rhode Island versions are more developed than for the interim versions the New York PSC approved. See id. ¶ 72; compare Application of Verizon Pennsylvania Inc., et al., for Authorization To Provide In-Region, InterLATA Services in Pennsylvania, Letter from Gordon R. Evans to Magalie R. Salas at 4-5 & Attach. 2, CC Docket 01-138 (Aug. 31, 2001) (“Aug. 31 Ex Parte”) (Application, App. L, Tab 8) with Proceeding on Motion of the Commission to Review Service Quality Standards for Telephone Companies, Order Modifying Existing and Establishing Additional Inter-Carrier Service Quality Guidelines Att. 1, Sec. J, Case 97-C-0139 (NY PSC Oct. 29, 2001) (Application, App. L, Tab 11). For example, the New York versions have only a single exclusion, which increases the amount of information included in the interim measurements in order to enable better study of their potential utility. In contrast, the Rhode Island versions are intended to be operational measurements and have a greater number of exclusions. The Rhode Island versions of these measures, therefore, are more likely to yield results that measure performance within Verizon's control than the New York versions.

Verizon has recalculated its Massachusetts performance under the business rules in use in Rhode Island for December 2001 and January 2002. See Attachment 1. There are too few observations in the recalculated data in Massachusetts to provide meaningful performance results. See, e.g., Kansas/Oklahoma Order ¶ 36 (“We find that performance data based on low volumes of orders or other transactions is not as reliable an indicator of checklist compliance as performance based on larger numbers of observations.”). Nonetheless, in Massachusetts, Verizon acknowledged more than 95 percent of the 41 billing claims received in December and January combined, and resolved all but two of the 15 billing claims on time during those months.

In Vermont, where volumes are also low, Verizon acknowledged all but three of the billing claims on time in January. See Vermont Performance Trend Report at 28 (BI-3-04-2030) (Reply, App. B, Tab 3). Verizon's reported performance in Vermont in January for Percent CLEC Billing Claims Resolved Within 28 Calendar Days (BI-3-05-2030) does not reflect Verizon's performance for this measure. See id. Under the business rules for BI-3-05-2030 developed in Pennsylvania and adopted in Rhode Island and Vermont, a billing claim is “resolved” at the point when Verizon grants or denies the claim, not when any resulting credits appear on the CLEC's bill. See Aug. 31 Ex Parte Attach. 2 (Application, App. L, Tab 8). For this reason, nine of the 20 billing claims that were included in for BI-3-05-2030 in Vermont in January should not have been included in the reported results. These claims pertained to a single dispute with one CLEC. Verizon resolved these claims in November 2001, when Verizon granted the claims and informed the CLEC of the amount of its credit. However, contrary to the business rules for this measurement (which had not yet been adopted by the Vermont PSB), but consistent with Verizon's agreement with that CLEC and in order to ensure that the CLEC was fully satisfied, Verizon did not designate these claims as “resolved” until the credits appeared on the CLEC's bill, which occurred in January 2002. When those nine claims are excluded, as they

should have been under the business rules for this measurement, Verizon's performance on BI-3-05-2030 in Vermont in January was 100 percent. See Attachment 2.

The twenty-page limit does not apply as set forth in DA 02-111. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Telli". The signature is written in a cursive, flowing style.

cc: J. Veach
J. Stanley
G. Remondino